



THE SCHOOL OF PUBLIC POLICY

East vs. West. Canadian Conflict and the Potential for Separation. New School of Public Policy report

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Calgary – It is no secret that there’s a lot of tension brewing between Eastern and Western Canada. Canadians are used to the threat of separation when it comes to Quebec, but a more serious, less manageable form of conflict may eventually emerge in the federation between Western Canada and the rest of Canada.

Today, The School of Public Policy with author Jack Mintz released a report that examines the current developments in Canada with respect to two types of conflicts within the federation involving economic and political shifts happening right now in Canada.

According to Mintz, “Conflict of claim arises when the smaller, richer region feels as if the benefits from being part of a federation are outweighed by the cost of serving as a largely powerless cash cow. This could feasibly become the case for Alberta, which is called on to provide other provinces with massive wealth transfers, even as other provinces have worked to hurt Alberta’s economy both through past policies (such as the National Energy Program) and recent ones (such as B.C. and Quebec’s opposition to allowing Alberta oil to be transported for export through their provinces). Canada, notably, lacks formal institutions that provide small regions like Alberta with proper federal representation, such as an elected and powerful Senate, as in the U.S. and Australia.” Census data shows that Canada is less homogeneous than provinces with relatively weak attachment of Albertans to the Canadian nation state.

While Quebec is animated by its different culture, history and language than the rest of Canada, which has created “conflict of taste”, mechanisms have been put in place to help mitigate the friction, including: provincial powers over key cultural institutions such as education and health, special fiscal and immigration arrangements, guaranteed bilingualism in federal institutions and tax-collection powers unique to Quebec.

The Canadian government has been successful so far in managing the “conflict of taste” that has led to Quebec’s historic discomfort in the Canadian federation, because the federal government possesses the tools to address that challenge, it has not developed the same tools to manage the “conflict of claim” that is creating increased dissatisfaction with Confederation in the West. The result is that Canada is a less stable federation than many observers realize. Interestingly, the future of its unity depends largely on Ontario as the key province that could support the West’s aspirations.

Much of the accommodation occurs with federal-provincial co-ordination mechanisms. The federal government should avoid top-down policies but instead seek cooperative mechanisms with the provinces in the areas of regulatory, carbon and fiscal policy to avoid conflicts of claim. Alberta should consider a new deal including more fiscal flexibility.

The paper can be downloaded at <https://www.policyschool.ca/publications/>

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